Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009

Message Text

UNCLASSIFIED

PAGE 01 WELLIN 02115 030536Z
ACTION EB-07

INFO OCT-01 EUR-12 EA-09 IO-14 ISO-00 CEA-01 CIAE-00
COME-00 DODE-00 FRB-01 H-02 INR-07 INT-05 L-03
LAB-04 NSAE-00 NSC-05 PA-02 EPG-02 AID-05 SS-15
STR-04 ITC-01 TRSE-00 USIA-15 PRS-01 SP-02 OMB-01
FEA-01 AGR-10 /130 W
----------030545Z 048934 /17
R 030420Z JUN 77
FM AMEMBASSY WELLINGTON
TO SECSTATE WASHDC 3321
INFO AMEMBASSY PARIS
USMISSION GENEVA

UNCLAS WELLINGTON 2115

USOECD

USMTN

E.O. 11652: N/A
TAGS: EALR, EFIN, ETRD, NZ
SUBJECT: APRIL OVERSEAS EXCHANGE TRANSACTIONS SHOW CURRENT ACCOUNT SURPLUS

REF: WELLINGTON 1149

1. ACCORDING TO FIGURES RELEASED BY THE RESERVE BANK, A CURRENT ACCOUNT SURPLUS OF $7 MILLION WAS RECORDED FOR THE MONTH OF APRIL 1977 (VS DEFICITS OF $20 MILLION FOR MARCH 1977 AND $43 MILLION FOR APRIL 1976). THIS WAS DUE PRINCIPALLY TO A LOW LEVEL OF IMPORT PAYMENTS, BUT THE RESERVE BANK BELIEVES THERE APPEARS TO HAVE BEEN SOME CARRYOVER TO MAY OF PAYMENTS WHICH WOULD NORMALLY BE MADE IN APRIL. (ALL AMOUNTS IN NEW ZEALAND DOLLARS)

2. EXPORT RECEIPTSIN APRIL 1977 AT $289 MILLION WERE
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 WELLIN 02115 030536Z

25 PERCENT HIGHER THAN IN APRIL 1976 BUT WELL BELOW THE SEASONAL PEAK OF $348 MILLION RECORDED IN MARCH 1977 (SEE REFTEL). IMPORT PAYMENTS AT $225 MILLION WERE LOW EVEN AFTER ALLOWING FOR SEASONAL FACTORS. THE FIGURE FOR APRIL WAS $3 MILLION LESS THAN APRIL 1976. HOWEVER, THE VALUE OF IMPORTS LANDED IN RECENT MONTHS SUGGESTS THAT IMPORT PAYMENTS COULD RISE SUBSTANTIALLY IN MAY. THE SURPLUS

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009

ON TRADE TRANSACTIONS IN APRIL OF $64 MILLION WAS THE
LARGEST RECORDDED IN ANY ONE MONTH FOR SEVERAL YEARS.
INVISIBLES PAYMENTS DURING THE ONTH REACHED $119
MILLION, RESULTING IN AN INVISIBLES DEFICIT OF $57
MILLION.

3. THE CURRENT ACCOUNT DEFICIT FOR THE YEAR ENDED APRIL
1977, AT $540 MILLION IS AN IMPROVEMENT OF $223 MILLION ON
THE DEFICIT RECORDED FOR THE YEAR ENDED APRIL 1976 AND
$529 MILLION BELOW THE APRIL 1975 YEAR. THE
TRADE TRANSACTIONS SURPLUS OF $104 MILLION DURING THE
APRIL 1977 YEAR REPRESENTED AN IMPROVEMENT OF $442 MILLION
FROM THE DEFICIT OF $338 MILLION IN THE YEAR ENDED APRIL 1976.
THE DEFICIT FOR THE APRIL 1975 YEAR WAS $773 MILLION.

4. HOWEVER, THE IMPROVED TRADE POSITION WAS PARTLY
OFFSET BY A FURTHER DETERIORATION IN THE DEFICIT ON INVISIBLE
TRANSACTIONS WHICH ROSE BY $219 MILLION TO $644 MILLION
IN THE APRIL 1977 YEAR. INVISIBLES RECEIPTS ROSE $87 MILLION
TO $677 MILLION WHILE PAYMENTS ROSE $301 MILLION TO $1,321
MILLION, A 29 PERCENT GROWTH, FREIGHT ON EXPORTS,
OTHER TRANSPORT COSTS, TRAVEL AND INTEREST PAYMENTS
ON THE OFFICIAL DEBT WERE THE PRINCIPAL CONTRIBUTORS
TO THE INCREASE. (IN THE APRIL 1974 YEAR THE
INVISIBLES PAYMENTS WERE LESS THAN ONE-HALF THIS
AMOUNT.) FREIGHT AND FARE RECEIPTS, WHICH ROSE
27 PERCENT TO $204 MILLION, WERE THE LARGEST
CONTRIBUTORS TO THE INCREASE IN INVISIBLES RECEIPTS.
THIS REPRESENTS 30 PERCENT OF TOTAL INVISIBLES RECEIPTS
UNCLASSIFIED

UNCLASSIFIED

PAGE 03 WELLIN 02115 030536Z

FOR THE PERIOD. TRAVEL RECEIPTS ROSE ONLY 11 PERCENT
(TO $160 MILLION) REFLECTING A SLOWDOWN OF FOREIGN
TOURISTS VISITING NEW ZEALAND.

5. THE ANNUAL GROWTH RATE OF EXPORT RECEIPTS HAS
REMAINED HIGH, 38.5 PERCENT IN THE LASTEST 12 MONTHS,
BUT THE GROWTH IS NOW MUCH LESS RAPID THAN IN THE SECOND
HALF OF 1976, REFLECTING A SLOWDOWN IN THE RATE OF INCREASE
OF EXPORT PRICES. IMPORT PAYMENTS ROSE BY 17 PERCENT TO
$3,075 MILLION, MAINLY REFLECTING HIGHER IMPORT PRICES.

6. NEW ZEALAND'S OFFICIAL RESERVES ROSE $45 MILLION DURING

THE APRIL 1977 YEAR TO $746 MILLION.
KILLGORE

UNCLASSIFIED

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009

NNN

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: DATA, FOREIGN EXCHANGE TRANSACTIONS
Control Number: n/a
Copy: SINGLE
Sent Date: 03-Jun-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01-Jan-1960 12:00:00 am
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977WELLIN02115
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770197-1159
Format: TEL
From: WELLINGTON
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770691/aaaadbom.tel
Line Count: 112
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 8d9d4685-c288-dd11-92da-001cc4696bcc
Office: ACTION EB
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: 77 WELLINGTON 1149
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 20-Oct-2004 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2279761
Secure: OPEN
Status: NATIVE
Subject: APRIL OVERSEAS EXCHANGE TRANSACTIONS SHOW CURRENT ACCOUNT SURPLUS
TAGS: EALR, EFIN, ETRD, NZ
To: STATE
Type: TE
vdkvgwkey: odbc://SAS/SAS.dbo.SAS_Docs/8d9d4685-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009